

# Senate File 440 - Introduced

SENATE FILE 440  
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SF 415)  
(SUCCESSOR TO SSB 1199)

## A BILL FOR

1 An Act relating to human services involving mental health  
2 and disability services and children's services, making  
3 appropriations, and including effective dates.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I  
2 SYSTEM REDESIGN — IMPLEMENTATION  
3 RESEARCH-BASED PRACTICE

4 Section 1. Section 331.388, Code 2013, is amended by adding  
5 the following new subsection:

6 NEW SUBSECTION. 4A. "*Research-based practice*" means a  
7 service or other support in which the efficacy of the service  
8 or other support is recognized as an evidence-based practice,  
9 or is deemed to be an emerging and promising practice, or which  
10 is part of a demonstration and will supply evidence as to the  
11 effectiveness of the service or other support.

12 Sec. 2. Section 331.393, subsection 4, paragraph g,  
13 unnumbered paragraph 1, Code 2013, is amended to read as  
14 follows:

15 The requirements for designation of targeted case management  
16 providers and for implementation of ~~evidence-based~~ models  
17 of case management that apply research-based practice. The  
18 requirements shall be designed to provide the person receiving  
19 the case management with a choice of providers, allow a  
20 service provider to be the case manager but prohibit the  
21 provider from referring a person receiving the case management  
22 only to services administered by the provider, and include  
23 other provisions to ensure compliance with but not exceed  
24 federal requirements for conflict-free case management. The  
25 qualifications of targeted case managers and other persons  
26 providing service coordination under the management plan shall  
27 be specified in the rules. The rules shall also include but  
28 are not limited to all of the following relating to targeted  
29 case management and service coordination services:

30 Sec. 3. Section 331.397, subsection 5, paragraph b, Code  
31 2013, is amended to read as follows:

32 b. Providing ~~evidence-based~~ services that apply  
33 research-based practice.

34 Sec. 4. Section 331.397, subsection 6, paragraph d, Code  
35 2013, is amended to read as follows:

1     *d.* Advances in the use of ~~evidence-based~~ treatment applying  
2 research-based practice, including but not limited to all of  
3 the following:

- 4       (1) Positive behavior support.  
5       (2) Assertive community treatment.  
6       (3) Peer self-help drop-in centers.

7     Sec. 5. Section 331.397, subsection 7, paragraphs b and c,  
8 Code 2013, are amended to read as follows:

9       *b.* The ~~efficacy of the services or other support is~~ are  
10 recognized as an ~~evidence-based~~ a research-based practice, ~~is~~  
11 ~~deemed to be an emerging and promising practice, or providing~~  
12 ~~the services is part of a demonstration and will supply~~  
13 ~~evidence as to the services' effectiveness.~~

14       *c.* A determination that the services or other support  
15 provides an effective alternative to existing services  
16 that have been shown by the ~~evidence~~ research base to be  
17 ineffective, to not yield the desired outcome, or to not  
18 support the principles outlined in *Olmstead v. L.C.*, 527 U.S.  
19 581 (1999).

20           COMMUNITY CORRECTIONS SYSTEM ACCESS TO REGIONAL SERVICES

21     Sec. 6. Section 331.395, Code 2013, is amended by adding the  
22 following new subsection:

23       NEW SUBSECTION. 5. If adequate funding is provided through  
24 a state appropriation made for purposes of paying for services  
25 authorized pursuant to this subsection, a person with an income  
26 within the level specified in subsection 1 who is housed by or  
27 supervised by a judicial district department of correctional  
28 services established under chapter 905 shall be deemed to  
29 have met the income and resource eligibility requirements for  
30 services under the regional service system.

31           ELIGIBILITY MAINTENANCE

32     Sec. 7. Section 331.396, subsection 1, paragraph b, Code  
33 2013, is amended to read as follows:

34       *b.* The person is at least eighteen years of age and is a  
35 resident of this state. However, a person who is seventeen

1 years of age, is a resident of this state, and is receiving  
 2 publicly funded children's services may be considered eligible  
 3 for services through the regional service system during the  
 4 three-month period preceding the person's eighteenth birthday  
 5 in order to provide a smooth transition from children's  
 6 to adult services. In addition, a person who is less than  
 7 eighteen years of age and a resident of this state may be  
 8 eligible, as determined by the region, for those mental health  
 9 services made available to all or a portion of the residents  
 10 of the region of the same age and eligibility class under the  
 11 county management plan of one or more counties of the region  
 12 applicable prior to formation of the region.

13 Sec. 8. Section 331.396, subsection 2, paragraph b, Code  
 14 2013, is amended to read as follows:

15 b. The person is at least eighteen years of age and is a  
 16 resident of this state. However, a person who is seventeen  
 17 years of age, is a resident of this state, and is receiving  
 18 publicly funded children's services may be considered eligible  
 19 for services through the regional service system during the  
 20 three-month period preceding the person's eighteenth birthday  
 21 in order to provide a smooth transition from children's  
 22 to adult services. In addition, a person who is less than  
 23 eighteen years of age and a resident of this state may be  
 24 eligible, as determined by the region, for those intellectual  
 25 disability services made available to all or a portion of the  
 26 residents of the region of the same age and eligibility class  
 27 under the county management plan of one or more counties of the  
 28 region applicable prior to formation of the region.

29 Sec. 9. Section 331.397, subsection 2, paragraph b, Code  
 30 2013, is amended to read as follows:

31 b. Until funding is designated for other service  
 32 populations, eligibility for the service domains listed in this  
 33 section shall be limited to such persons who are in need of  
 34 mental health or intellectual disability services. However, if  
 35 a county in a region was providing services to an individual

1 ~~person~~ eligibility class of persons with a developmental  
2 disability other than intellectual disability or a brain injury  
3 prior to formation of the region, the ~~individual-person class~~  
4 of persons shall remain eligible for the services provided when  
5 the region is formed, provided that funds are available to  
6 continue such services.

7 CORE SERVICES

8 Sec. 10. Section 331.397, subsection 4, paragraphs c and d,  
9 Code 2013, are amended to read as follows:

10 c. Support for community living and other living  
11 arrangements, including but not limited to all of the  
12 following:

- 13 (1) Home health aide.
- 14 (2) Home and vehicle modifications.
- 15 (3) Respite.
- 16 (4) Supportive community living.
- 17 (5) Residential care facility living arrangements.

18 d. Support for employment and work activity, including but  
19 not limited to all of the following:

- 20 (1) Day habilitation.
- 21 (2) Job development.
- 22 (3) Supported employment.
- 23 (4) Prevocational services.
- 24 (5) Other work activity services.

25 STATE PAYMENTS TO REGION

26 Sec. 11. Section 426B.3, subsection 4, as enacted by 2012  
27 Iowa Acts, chapter 1120, section 137, is amended to read as  
28 follows:

29 4. a. For the fiscal years beginning July 1, 2013, and  
30 July 1, 2014, a county with a county population expenditure  
31 target amount that exceeds the amount of the county's base year  
32 expenditures for mental health and disabilities services shall  
33 receive an equalization payment for the difference.

34 b. The equalization payments determined in accordance  
35 with this subsection shall be made by the department of human

1 services for each fiscal year as provided in appropriations  
 2 made from the property tax relief fund for this purpose. If  
 3 the county is part of a region that has been approved by the  
 4 department in accordance with section 331.389, to commence  
 5 partial or full operations, the county's equalization payment  
 6 shall be remitted to the region for expenditure as approved by  
 7 the region's governing board.

8 STRATEGIC PLAN REQUIREMENT FOR FY 2013-2014

9 Sec. 12. 2012 Iowa Acts, chapter 1128, section 8, is amended  
 10 to read as follows:

11 SEC. 8. COUNTY MENTAL HEALTH, ~~MENTAL RETARDATION~~  
 12 INTELLECTUAL DISABILITY, AND DEVELOPMENTAL DISABILITIES  
 13 SERVICES MANAGEMENT PLAN — STRATEGIC PLAN. Notwithstanding  
 14 section 331.439, subsection 1, paragraph "b", subparagraph (3),  
 15 counties are not required to submit a three-year strategic  
 16 plan by April 1, 2012, to the department of human services. A  
 17 county's strategic plan in effect as of the effective date of  
 18 this section shall remain in effect until the regional service  
 19 system management plan for the region to which the county  
 20 belongs is approved in accordance with section 331.393, subject  
 21 to modification before that date as necessary to conform with  
 22 statutory changes affecting the plan and any amendments to the  
 23 plan that are adopted in accordance with law.

24 RISK POOL DISTRIBUTIONS

25 Sec. 13. 2012 Iowa Acts, chapter 1128, section 6,  
 26 subsections 5 and 6, as amended by 2012 Iowa Acts, chapter  
 27 1133, section 67, are amended to read as follows:

28 5. If moneys from a distribution made under this section are  
 29 not expended by a county by June 30, ~~2013~~ 2015, for services  
 30 provided by that date under the applicable service management  
 31 plan, the county shall reimburse the unexpended moneys to the  
 32 department by August 30, ~~2013~~ 2015, and the moneys reimbursed  
 33 shall be credited to the risk pool in the property tax relief  
 34 fund.

35 6. The risk pool board shall submit annual reports to the

1 governor and general assembly on or before December 31, ~~2012~~  
 2 ~~and 2013~~, regarding the expenditure of funds distributed under  
 3 this section. The final annual report shall be submitted on or  
 4 before December 31, 2015.

5                   TRANSITION FUND — SERVICES MAINTENANCE

6       Sec. 14. TRANSITION FUND — SERVICES MAINTENANCE. A county  
 7 receiving an allocation of funding from the mental health and  
 8 disability services redesign transition fund created in 2012  
 9 Iowa Acts, chapter 1120, section 23, shall utilize the funding  
 10 received by the county as necessary for the services covered  
 11 in accordance with the county's approved management plan in  
 12 effect as of June 30, 2012, for the fiscal year beginning July  
 13 1, 2012, and ending June 30, 2013.

14                   REDESIGN EQUALIZATION PAYMENTS AND RISK POOL

15       Sec. 15. EQUALIZATION PAYMENTS AND RISK POOL.

16       1. There is transferred from the general fund of the state  
 17 to the property tax relief fund created in section 426B.1  
 18 for the fiscal year beginning July 1, 2012, and ending June  
 19 30, 2013, the following amount to be used for the purposes  
 20 designated:

21 ..... \$ 29,820,478

22       2. The moneys credited to the property tax relief fund in  
 23 accordance with this section are appropriated to the department  
 24 of human services for the fiscal year beginning July 1, 2013,  
 25 and ending June 30, 2014, for distribution to counties and  
 26 regions in accordance with this section. If a county is  
 27 part of a region that has been approved by the department to  
 28 commence partial or full operations in accordance with section  
 29 331.389 for the fiscal year, the county's payment made pursuant  
 30 to this section shall be remitted to the region for expenditure  
 31 as approved by the region's governing board. The payments made  
 32 under this section are in lieu of equalization payments for the  
 33 fiscal year beginning July 1, 2013, otherwise required under  
 34 section 426B.3, as amended by 2012 Iowa Acts, section 137.

35       3. Of the amount appropriated in this section, \$18,373,854

1 shall be distributed to counties as per capita growth payments  
2 in accordance with this section.

3 4. A per capita growth amount shall be distributed to each  
4 county in two payments. The provisional per capita growth  
5 amount for the fiscal year is \$6.00, with the final amount  
6 determined in accordance with subsection 5. A county's first  
7 per capita growth payment shall be the product of \$5.00 of the  
8 provisional per capita growth amount times the county's general  
9 population for the fiscal year.

10 5. The moneys transferred to the property tax relief fund  
11 for the fiscal year beginning July 1, 2013, from the federal  
12 social services block grant pursuant to 2013 Iowa Acts, House  
13 File 614, or any other 2013 Iowa Acts, if enacted and from the  
14 federal temporary assistance for needy families block grant,  
15 totaling \$11,251,443, are appropriated to the department of  
16 human services for the fiscal year beginning July 1, 2013, to  
17 be used for distribution of state payment program remittances  
18 to counties for the fiscal year in accordance with this  
19 subsection. The state payment program remittance shall be an  
20 amount equal to the amount paid to a county of residence under  
21 the program for state case services known as the state payment  
22 program, implemented pursuant to section 331.440, subsection 5,  
23 for the fiscal year beginning July 1, 2011.

24 6. The first per capita growth payment due a county under  
25 subsection 4 and any state payment program remittance due a  
26 county under subsection 5, shall be combined and remitted to  
27 the counties on or before July 15, 2013.

28 7. a. Of the amount appropriated in this section,  
29 \$11,446,624 shall be distributed to counties as stabilization  
30 payments in accordance with this subsection. A stabilization  
31 payment shall be distributed to each county for which the  
32 amount of net expenditures from the county's services fund  
33 under section 331.424A for the fiscal year beginning July 1,  
34 2012, exceeds the sum of the county's state payment program  
35 remittance under subsection 5 plus the dollar amount of the

1 county's services fund levies for the fiscal year beginning  
2 July 1, 2013. A county's stabilization payment amount shall  
3 be equal to the excess net expenditures amount. To receive a  
4 stabilization payment, the county shall submit a request for  
5 the payment to the department of human services not later than  
6 December 1, 2013, with documentation detailing and verifying  
7 the county's net expenditures from the services fund for the  
8 fiscal year beginning July 1, 2012, and certifying the county's  
9 levies for the services fund for the fiscal year beginning July  
10 1, 2013.

11 b. If the sum of the total of all eligible counties'  
12 stabilization payments plus the product of \$1.00 of the  
13 provisional per capita growth payment amount under subsection  
14 4 times the state's general population for the fiscal year is  
15 greater or less than the amount of moneys remaining after the  
16 first per capita growth payments made pursuant to subsection  
17 4 and the amount allocated in this subsection, the department  
18 shall identify a final per capita growth amount by adjusting  
19 the provisional per capita growth amount as necessary to  
20 distribute all of the moneys remaining. If the total of the  
21 stabilization payments exceeds the amount allocated in this  
22 subsection, the provisional per capita growth amount shall be  
23 reduced to provide sufficient funding to address the excess.  
24 If the total of the stabilization payments is less than the  
25 amount allocated in this subsection, the provisional per  
26 capita growth amount shall be increased to address the reduced  
27 amount. A county's second per capita growth payment shall be  
28 the product of the remainder of the final per capita growth  
29 amount as adjusted by the department times the county's general  
30 population for the fiscal year.

31 c. Each county's second per capita growth payment shall be  
32 combined with any stabilization payment due the county. The  
33 payments shall be remitted to the counties on or before January  
34 2, 2014.

35 SUBSTANCE-RELATED DISORDER DETOXIFICATION

1     Sec. 16. COORDINATION OF DETOXIFICATION SERVICES. The  
2 department of human services shall review options for the  
3 mental health and disability services regions to coordinate  
4 detoxification funding provided by counties and other such  
5 disorder funding provided by counties in place of county  
6 coordination. The department shall report to the governor and  
7 general assembly its findings, options, and recommendations on  
8 or before October 15, 2013.

9                     MEDICAID OBLIGATION COST SETTLEMENT

10     Sec. 17. COUNTY MEDICAL ASSISTANCE NONFEDERAL SHARE —  
11 COST SETTLEMENT. Any county obligation for payment to the  
12 department of human services of the nonfederal share of the  
13 cost of services provided under the medical assistance program  
14 prior to July 1, 2012, pursuant to sections 249A.12 and  
15 249A.26, shall remain at the amount agreed upon as of June 30,  
16 2013. Beginning July 1, 2013, other than a county payment on  
17 the obligation or for a charge when the county is the provider  
18 of the service, the department shall be responsible for any  
19 adjustment that would otherwise be applied to the amount of the  
20 county obligation after that date due to cost settlement of  
21 charges or other reasons.

22                     COUNTY MENTAL HEALTH AND DISABILITY

23                     SERVICES FUND — FY 2013-2014

24     Sec. 18. SERVICES FUND — MANAGEMENT PLAN. For the fiscal  
25 year beginning July 1, 2013, and ending June 30, 2014, the  
26 appropriations made by the county board of supervisors for  
27 payment for mental health and disability services pursuant  
28 to section 331.424A, subsection 3, as enacted by 2012 Iowa  
29 Acts, chapter 1120, section 132, shall be made in accordance  
30 with the county's service management plan approved under  
31 section 331.439, Code 2013, until the county management plan is  
32 replaced by a regional service system management plan approved  
33 under section 331.393.

34     Sec. 19. CONTINUATION OF MENTAL HEALTH AND DISABILITY  
35 SERVICES REDESIGN FISCAL VIABILITY STUDY COMMITTEE. The

1 legislative council is requested to continue for the 2014  
 2 legislative interim the mental health and disability services  
 3 redesign fiscal viability study committee initially created by  
 4 the legislative council in 2013. The legislative council is  
 5 requested to add at least four citizen members to the study  
 6 committee to provide representation for service consumers,  
 7 service providers, county supervisors, and the community  
 8 services affiliate of the Iowa state association of counties.  
 9 In addition to monitoring implementation of the mental health  
 10 and disability services redesign and receiving reports from  
 11 stakeholder groups engaged in implementation of the redesign,  
 12 the study committee shall be directed to propose a permanent  
 13 approach for state, county, and regional financing of the  
 14 redesign.

15 Sec. 20. EFFECTIVE UPON ENACTMENT. This division of this  
 16 Act, being deemed of immediate importance, takes effect upon  
 17 enactment.

## 18 DIVISION II

### 19 DATA AND STATISTICAL INFORMATION AND OUTCOME AND PERFORMANCE 20 MEASURES

21 Sec. 21. Section 225C.4, subsection 1, paragraph j, Code  
 22 2013, is amended to read as follows:

23 *j.* Establish and maintain a data collection and management  
 24 information system oriented to the needs of patients,  
 25 providers, the department, and other programs or facilities in  
 26 accordance with section 225C.6A. The system shall be used to  
 27 identify, collect, and analyze service outcome and performance  
 28 measures data in order to assess the effects of the services on  
 29 the persons utilizing the services. The administrator shall  
 30 annually submit to the commission information collected by the  
 31 department indicating the changes and trends in the disability  
 32 services system. The administrator shall make the outcome data  
 33 available to the public.

34 Sec. 22. Section 225C.6A, Code 2013, is amended to read as  
 35 follows:

1     **225C.6A Disability services system ~~redesign~~ central data**  
2 **repository.**

3     1. The ~~commission~~ department shall do the following  
4 relating to ~~redesign of~~ data concerning the disability services  
5 system in the state:

6     ~~1. Identify sources of revenue to support statewide~~  
7 ~~delivery of core disability services to eligible disability~~  
8 ~~populations.~~

9     ~~2. Ensure there is a continuous improvement process for~~  
10 ~~development and maintenance of the disability services system~~  
11 ~~for adults and children. The process shall include but is not~~  
12 ~~limited to data collection and reporting provisions.~~

13     ~~3. a. Plan, collect, and analyze data as necessary to~~  
14 ~~issue cost estimates for serving additional populations and~~  
15 ~~providing core disability services statewide. The department~~  
16 ~~shall maintain compliance with applicable federal and state~~  
17 ~~privacy laws to ensure the confidentiality and integrity of~~  
18 ~~individually identifiable disability services data. The~~  
19 ~~department shall regularly~~ may periodically ~~assess the status~~  
20 ~~of the compliance in order to assure that data security is~~  
21 ~~protected.~~

22     ~~b. In implementing~~ Implement ~~a system~~ central data  
23 repository under this ~~subsection~~ section for collecting and  
24 analyzing state, county and region, and private contractor  
25 ~~data, the.~~ The department shall establish a client identifier  
26 for the individuals receiving services. ~~The client identifier~~  
27 ~~shall be used in lieu of the individual's name or social~~  
28 ~~security number. The client identifier shall consist of the~~  
29 ~~last four digits of an individual's social security number,~~  
30 ~~the first three letters of the individual's last name, the~~  
31 ~~individual's date of birth, and the individual's gender in an~~  
32 ~~order determined by the department.~~

33     c. Consult on an ongoing basis with regional administrators,  
34 service providers, and other stakeholders in implementing the  
35 central data repository and operations of the repository. The

1 consultation shall focus on minimizing the state and local  
 2 costs associated with operating the repository.

3 d. Engage with other state and local government and  
 4 nongovernmental entities operating the Iowa health information  
 5 network under chapter 135 and other data systems that maintain  
 6 information relating to individuals with information in the  
 7 central data repository in order to integrate data concerning  
 8 individuals.

9 e. 2. A county or region shall not be required to utilize a  
 10 uniform data operational or transactional system. However, the  
 11 system utilized shall have the capacity to exchange information  
 12 with the department, counties and regions, contractors, and  
 13 others involved with services to persons with a disability  
 14 who have authorized access to the central data repository.  
 15 The information exchanged shall be labeled consistently  
 16 and share the same definitions. Each county regional  
 17 administrator shall regularly report to the department annually  
 18 on or before December 1, for the preceding fiscal year the  
 19 following information for each individual served: demographic  
 20 information, expenditure data, and data concerning the services  
 21 and other support provided to each individual, as specified  
 22 in administrative rule adopted by the commission by the  
 23 department.

24 ~~4. Work with county representatives and other qualified~~  
 25 ~~persons to develop an implementation plan for replacing the~~  
 26 ~~county of legal settlement approach to determining service~~  
 27 ~~system funding responsibilities with an approach based upon~~  
 28 ~~residency. The plan shall address a statewide standard for~~  
 29 ~~proof of residency, outline a plan for establishing a data~~  
 30 ~~system for identifying residency of eligible individuals,~~  
 31 ~~address residency issues for individuals who began residing in~~  
 32 ~~a county due to a court order or criminal sentence or to obtain~~  
 33 ~~services in that county, recommend an approach for contesting~~  
 34 ~~a residency determination, and address other implementation~~  
 35 ~~issues.~~

1     3. The outcome and performance measures applied to the  
2 regional disability services system shall utilize measurement  
3 domains. The department may identify other measurement domains  
4 in consultation with system stakeholders to be utilized in  
5 addition to the following initial set of measurement domains:

- 6     a. Access to services.  
7     b. Life in the community.  
8     c. Person-centeredness.  
9     d. Health and wellness.  
10    e. Quality of life and safety.  
11    f. Family and natural supports.

12    4. a. The processes used for collecting outcome and  
13 performance measures data shall include but are not limited  
14 to direct surveys of the individuals and families receiving  
15 services and the providers of the services. The department  
16 shall involve a workgroup of persons who are knowledgeable  
17 about both the regional service system and survey techniques  
18 to implement and maintain the processes. The workgroup shall  
19 conduct an ongoing evaluation for the purpose of eliminating  
20 the collection of information that is not utilized. The  
21 surveys shall be conducted with a conflict-free approach in  
22 which someone other than a provider of services surveys an  
23 individual receiving the services.

24    b. The outcome and performance measures data shall encompass  
25 and provide a means to evaluate both the regional services and  
26 the services funded by the medical assistance program provided  
27 to the same service populations.

28    c. The department shall develop and implement an  
29 internet-based approach with graphical display of information  
30 to provide outcome and performance measures data to the public  
31 and those engaged with the regional service system.

32    d. The department shall include any significant costs for  
33 collecting and interpreting outcome and performance measures  
34 and other data in the department's operating budget.

35    Sec. 23. REPEAL. The amendment to section 225C.4,

1 subsection 1, paragraph j, in 2012 Iowa Acts, chapter 1120,  
2 section 2, is repealed.

3 Sec. 24. REPEAL. The amendments to section 225C.6A, in 2012  
4 Iowa Acts, chapter 1120, sections 6, 7, and 95, are repealed.

5 DIVISION III

6 CHILDREN'S CABINET

7 Sec. 25. NEW SECTION. **242.1 Findings.**

8 The general assembly finds there is a need for a  
9 state-level children's cabinet to provide guidance, oversight,  
10 problem-solving, and long-term strategy development, and to  
11 foster collaboration among state and local efforts to build a  
12 comprehensive, coordinated system of care in order to promote  
13 the well-being of the children in this state. The system of  
14 care should address all domains of child physical, mental,  
15 intellectual, developmental, and social health and meet the  
16 particular needs of children for family-centered mental health  
17 and disability services and for other appropriate specialized  
18 services.

19 Sec. 26. NEW SECTION. **242.2 Children's cabinet established.**

20 There is established within the department of human services  
21 a children's cabinet.

22 1. The voting members of the children's cabinet shall  
23 consist of the following:

24 a. The director of the department of education or the  
25 director's designee.

26 b. The director of the department of human services or the  
27 director's designee. This member shall be chairperson of the  
28 cabinet.

29 c. The director of the department of inspections and appeals  
30 or the director's designee.

31 d. The director of the department of public health or the  
32 director's designee.

33 e. A parent of a child with a severe emotional disturbance  
34 or a disability who is the primary caregiver for that child,  
35 appointed by the governor.

1     *f.* A juvenile court judge or juvenile court officer  
2 appointed by the chief justice of the supreme court.

3     *g.* A community-based provider of child welfare, health,  
4 or juvenile justice services to children, appointed by the  
5 director of human services.

6     *h.* A member of the early childhood Iowa state board or the  
7 early childhood stakeholders alliance, appointed by the state  
8 board.

9     *i.* A community stakeholder who is not affiliated with a  
10 provider of services, appointed by the governor.

11    *j.* A member of a child advocacy organization approved by the  
12 members of the children's cabinet.

13    *k.* A member of the Iowa chapter of the American academy  
14 of pediatrics who has expertise in pediatric health care and  
15 addressing the needs of children with special needs, designated  
16 by the Iowa chapter.

17    1. Not more than three other members designated by  
18 the cabinet chairperson to ensure adequate representation  
19 of the persons and interests who may be affected by the  
20 recommendations made by the cabinet.

21    2. In addition to the voting members, there shall be four ex  
22 officio, nonvoting members of the children's cabinet. These  
23 members shall be two state representatives, one appointed by  
24 the speaker of the house of representatives and one by the  
25 minority leader of the house of representatives, and two state  
26 senators, one appointed by the majority leader of the senate  
27 and one by the minority leader of the senate.

28    3. *a.* The voting members, other than department directors  
29 and their designees, shall be appointed for four-year terms.  
30 The terms of such members begin on May 1 in the year of  
31 appointment and expire on April 30 in the year of expiration.

32    *b.* Vacancies shall be filled in the same manner as original  
33 appointments. A vacancy shall be filled for the unexpired  
34 term.

35    *c.* The voting members shall receive actual and necessary

1 expenses incurred in the performance of their duties and  
2 legislative members shall be compensated as provided in section  
3 2.32A.

4 4. Staffing services for the children's cabinet shall be  
5 provided by the department of human services.

6 Sec. 27. NEW SECTION. **242.3 Duties.**

7 The children's cabinet shall perform the following duties  
8 in making recommendations to the agencies and organizations  
9 represented on the cabinet, the governor, the general assembly,  
10 and the judicial branch to address the needs of children and  
11 families in this state:

12 1. Recommend operating provisions for health homes for  
13 children implemented by the department of human services. The  
14 provisions shall include but are not limited to all of the  
15 following:

16 a. Identification of quality metrics.

17 b. Identification of performance criteria.

18 c. Provisions for monitoring the implementation of  
19 specialized health homes.

20 d. Identification of system of care principles and values  
21 based on the recommendations of the workgroup for redesign of  
22 publicly funded children's disability services implemented by  
23 the department of human services in accordance with 2011 Iowa  
24 Acts, chapter 121, section 1, subsection 4, paragraph "i".

25 2. Gather information and improve the understanding of  
26 policymakers and the public of how the various service systems  
27 intended to meet the needs of children and families operate at  
28 the local level.

29 3. Address areas of overlap, gaps, and conflict between  
30 service systems.

31 4. Support the evolution of service systems in implementing  
32 new services and enhancing existing services to address the  
33 needs of children and families through process improvement  
34 methodologies.

35 5. Assist policymakers and service system users in

1 understanding and effectively managing system costs.

2 6. Ensure services offered are evidence-based.

3 7. Issue guidelines to enable the services and other support  
4 which is provided by or under the control of state entities and  
5 delivered at the local level to have sufficient flexibility to  
6 engage local resources and meet unique needs of children and  
7 families.

8 8. Integrate efforts of policymakers and service providers  
9 to improve the well-being of community members in addition to  
10 children and families.

11 9. Implement strategies so that the children and families  
12 engaged with the service systems avoid the need for higher  
13 level services and other support.

14 10. Oversee the practices utilized by accountable care  
15 organizations and other care management entities operating on  
16 behalf of the state in the provision of government supported  
17 children's services and systems of care.

18 11. Identify and promote evidence-based practices that may  
19 be creatively applied in appropriate settings for prevention  
20 and early identification of social, emotional, behavioral, and  
21 developmental risk factors for children from birth through age  
22 eight.

23 12. Making periodic recommendations to the agencies  
24 and organizations represented on the cabinet. An agency or  
25 organization receiving such a recommendation shall respond  
26 in writing to the children's cabinet detailing how the  
27 recommendation was addressed. The response shall be submitted  
28 not later than sixty business days following the date of the  
29 receipt of the recommendation.

30 13. Submit a report annually by December 15 to the governor,  
31 general assembly, and supreme court providing findings and  
32 recommendations and issue other reports as deemed necessary by  
33 the cabinet.

34 Sec. 28. INITIAL TERMS. Notwithstanding section 242.2,  
35 subsection 3, paragraph "a", as enacted by this division of

1 this Act, the appointing authorities for the members of the  
 2 children's cabinet created by this division of this Act who are  
 3 subject to terms of service shall be coordinated so that the  
 4 initial terms of approximately half of such members are two  
 5 years and the remainder are for four years and remain staggered  
 6 thereafter.

#### 7 DIVISION IV

#### 8 CENTER FOR CHILD HEALTH INNOVATION AND EXCELLENCE

9 Sec. 29. Section 135.11, Code 2013, is amended by adding the  
 10 following new subsection:

11 NEW SUBSECTION. 32. Create and operate, subject to  
 12 appropriation of funding by the general assembly, a center for  
 13 child health excellence and innovation. The purpose of the  
 14 center is to provide a policy forum for efforts to improve  
 15 child health, including but not limited to improving health  
 16 quality, demonstrating better health outcomes, and reducing  
 17 long-term health care costs.

18 a. The center shall engage major providers of child health  
 19 services and associated groups, including but not limited to  
 20 representatives of the department, the medical assistance  
 21 program administrator, child health specialty clinics, the  
 22 association representing community health centers, the state  
 23 council created by the department for the department's project  
 24 LAUNCH initiative, staff of institutions of higher education  
 25 with expertise in pediatric health and child health care, the  
 26 prevention of disabilities policy council in conjunction with  
 27 the center for disabilities and development of the university  
 28 of Iowa's children's hospital, and others.

29 b. The center shall lead the review and analysis of public  
 30 policy efforts that are directed toward the purpose of the  
 31 center.

32 c. The center shall develop community-based initiatives  
 33 to promote healthy child development, leveraging medical  
 34 assistance program funding where possible. The initiatives  
 35 of Iowa shall include but are not limited to the promotion of

1 demonstration programs within the behavioral health managed  
2 care contract and the development of a grant application for  
3 federal and foundation funding opportunities that focus upon  
4 improving child health through innovation and the diffusion of  
5 innovation.

6 *d.* The center shall develop an early childhood mental health  
7 certification for professionals and others engaged in working  
8 with young children.

9 *e.* The center shall draw upon national and state  
10 expertise in the field of child health, including experts  
11 from Iowa's institutions of higher education, health provider  
12 organizations, and health policy and advocacy organizations.  
13 The center shall seek support from the Iowa research  
14 community in data report development and analysis of available  
15 information from Iowa child health data sources.

16 *f.* The center shall work with the departments of human  
17 services and public health and with the governor and members  
18 of the general assembly in child health public policy efforts  
19 such as providing medical assistance funding as necessary to  
20 expand the department's initiative to provide for adequate  
21 developmental surveillance and screening during a child's first  
22 five years to be available statewide and enabling child care  
23 resource and referral service agencies to facilitate provision  
24 of child mental health consultation for child care providers.

25 *g.* The center shall submit a report of its activities and  
26 policy recommendations to the general assembly by December 15  
27 annually.

28 EXPLANATION

29 This bill relates to mental health and disability services  
30 (MH/DS) administered by counties and the regions being formed  
31 by counties to provide adult MH/DS that are not covered by the  
32 medical assistance (Medicaid) program, children's services, and  
33 makes appropriations. The bill addresses recommendations made  
34 to the mental health and disability services redesign fiscal  
35 viability study committee by various committees and workgroups

1 created or continued by the MH/DS redesign legislation enacted  
2 in 2012 Iowa Acts, chapter 1120 (SF 2315) and chapter 1133 (SF  
3 2336). The primary state agency involved with MH/DS is the  
4 department of human services (DHS). The bill also includes  
5 other provisions. The bill is organized into divisions.

6 Under current law, certain MH/DS redesign requirements  
7 for regions specify the use of evidence-based practices  
8 or approaches. The bill defines the term, "research-based  
9 practice" in Code section 331.388, relating to definitions for  
10 the redesign, to mean a service or other support in which the  
11 efficacy of the service or other support is recognized as an  
12 evidence-based practice, or is deemed to be an emerging or  
13 promising practice, or which is part of a demonstration and  
14 will supply evidence as to effectiveness. The redesign-related  
15 Code requirements for evidence-based practice are changed by  
16 the bill to research-based practice in Code section 331.393,  
17 relating to the service management plans that must be adopted  
18 by regions and requirements for designating targeted case  
19 managers, and in Code section 331.397, relating to the core  
20 services that must be provided by regions.

21 An appropriation provision in 2012 Iowa Acts providing  
22 for risk pool distributions to certain counties, is amended  
23 to extend the period of time for a county to expend its  
24 distribution from June 30, 2013, to June 30, 2015.

25 Code section 331.395, relating to financial eligibility  
26 requirements for the regional service system, is amended to  
27 provide eligibility for the regional service system for persons  
28 who meet income requirements and are housed by or supervised by  
29 community-based correctional services, if a state appropriation  
30 is made to cover the service costs.

31 Code section 331.396, relating to diagnosis and functional  
32 assessment requirements for eligibility for the regional  
33 service system, is amended to allow a child to be eligible,  
34 as determined by the region, for those mental health or  
35 intellectual disability services provided to residents of

1 the same age and eligibility class under an approved county  
2 management plan of one or more counties of the region prior  
3 to formation of the region. The person's eligibility for  
4 individualized services is subject to determination in  
5 accordance with a functional assessment.

6 Code section 331.397, relating to the requirements  
7 for regional core services, is amended to provide that an  
8 eligibility class of persons with a developmental disability or  
9 a brain injury who was receiving services prior to formation of  
10 a region remains eligible for the services after formation of  
11 the region, subject to the availability of funding.

12 Code section 331.397 is also amended to add additional  
13 language to the initial set of core services domains. The  
14 support for community living domain is amended to refer to  
15 other living arrangements generally and residential care  
16 facility living arrangements in particular. The support for  
17 employment domain is amended to refer to work activity and  
18 other work activity services.

19 Code section 426B.3, as amended by SF 2315, relates to  
20 eligibility for equalization payments from the state in fiscal  
21 years 2013-2014 and 2014-2015 for those counties with a base  
22 year levy which is less than a target amount computed by  
23 multiplying the county's general population times a statewide  
24 per capita expenditure target amount of \$47.28. The bill  
25 provides for distribution of moneys for FY 2013-2014 in lieu of  
26 equalization payments.

27 Under Code section 331.439, counties are required to submit  
28 a three-year strategic plan for MH/DS and the latest plan was  
29 due by April 1, 2012. In accordance with 2012 Iowa Acts,  
30 chapter 1128, the strategic plan submission was not required  
31 and the existing strategic plan remained in effect. The bill  
32 provides that a county's strategic plan remains in effect,  
33 unless modified pursuant to statute or amended by the county,  
34 until it is replaced by approval of the regional service system  
35 management plan for the region to which the county belongs.

1 If a county receives an allocation of funding from the  
2 mental health and disability services redesign transition fund  
3 created in SF 2315, the county is required to utilize the  
4 funding provided as necessary for the services provided to an  
5 individual child or other individual person receiving services  
6 in accordance with the county's approved service management  
7 plan in effect as of June 30, 2012.

8 A transfer of approximately \$30 million is made from  
9 the general fund of the state for FY 2012-2013 to DHS to be  
10 credited to the property tax relief fund and is appropriated  
11 for DHS to make various distributions to eligible counties for  
12 FY 2013-2014. If a county is part of an approved region, the  
13 county's payment is required to be submitted to the region for  
14 expenditure. Approximately \$18.4 million is allocated for  
15 distribution as per capita growth payments. A prospective  
16 per capita growth payment amount of \$6.00 is specified for  
17 distribution in two payments. The first payment is equal to  
18 the product of \$5.00 times the county's general population.  
19 This payment is to be combined with a state payment program  
20 remittance based on the amount the county received from the  
21 state payment program in FY 2011-2012. The funding sources for  
22 the state payment program remittance are the federal social  
23 services block grant and the temporary assistance for needy  
24 families block grant and total approximately \$11.25 million.  
25 The combined payment is required to be remitted to counties on  
26 or before July 15, 2013.

27 Approximately \$11.5 million is allocated to make  
28 stabilization payments to those counties in which the mental  
29 health and disabilities services fund net expenditures for FY  
30 2012-2013 exceed the sum of the counties' state payment program  
31 remittances plus the services fund levies for FY 2013-2014.  
32 However, if the total of the stabilization payments exceeds the  
33 allocation amount, DHS is required to reduce the provisional  
34 per capita growth payment amount to provide sufficient funding  
35 to address the excess. If the total of the stabilization

1 payments is less than the amount allocated, the provisional per  
2 capita growth payment amount is to be increased to address the  
3 reduced amount. Any sustainability payment is to be combined  
4 with the second per capita growth payment and remitted to  
5 counties on or before January 2, 2014.

6 DHS is required to review options for the MH/DS regions to  
7 coordinate the county funding for detoxification and other  
8 such county-provided disorder funding in place of county  
9 coordination. DHS is required to report to the governor and  
10 general assembly its findings, options, and recommendations on  
11 or before October 15, 2013.

12 Any county obligation for payment to DHS of the nonfederal  
13 share of the cost of services provided under the Medicaid  
14 program prior to July 1, 2012, is required to remain at the  
15 amount agreed upon as of June 30, 2013. Beginning July 1,  
16 2013, other than a county payment on the obligation or for a  
17 charge when the county is the provider of a service, DHS is  
18 responsible for any adjustment that would otherwise be applied  
19 to the amount of the county obligation after that date due to  
20 cost settlement of charges or other reasons.

21 For FY 2013-2014, until the county management plan for MH/DS  
22 is replaced with a regional services system management plan,  
23 the county management plan remains applicable.

24 The legislative council is requested to continue the general  
25 assembly's MH/DS redesign fiscal viability study committee that  
26 met during the 2012 legislative interim for the next interim,  
27 to add at least four citizen members, and to direct the study  
28 committee to propose a permanent approach for financing the  
29 MH/DS redesign.

30 This division takes effect upon enactment.

31 DATA AND STATISTICAL INFORMATION AND OUTCOME AND PERFORMANCE  
32 MEASURES. This division addresses recommendations submitted by  
33 the data and statistical information integration workgroup and  
34 the outcomes and performance measures committee.

35 Current law is amended in Code section 225C.4, relating

1 to the duties of the DHS MH/DS division administrator, and  
2 in Code section 225C.6A, relating to disability services  
3 system redesign, to delineate requirements pertaining to  
4 MH/DS state collection and management information systems  
5 and outcome and performance data. These Code provisions  
6 were previously amended by SF 2315. The bill incorporates  
7 the SF 2315 amendments and adds new language and repeals  
8 the SF 2315 amendments that would otherwise take effect on  
9 July 1, 2013. For Code section 225C.4, the bill references  
10 in the administrator's duties the specific new requirements  
11 established by the bill in Code section 225C.6A. The new  
12 requirements pertain to DHS implementation of a central data  
13 repository, information exchange capacity, regular reporting  
14 of individual information, data security, consultation with  
15 regional staff, providers, and other stakeholders, engaging  
16 with other data systems, outcome and performance measure  
17 domains, use of surveys, evaluation of both regional and  
18 Medicaid services, provision of data to the public via an  
19 internet-based approach with graphical information, and  
20 inclusion of significant costs associated with the data and  
21 measures in the DHS budget.

22 CHILDREN'S CABINET. This division addresses recommendations  
23 submitted by the children's disability workgroup to create a  
24 children's cabinet.

25 New Code section 242.1 lists legislative findings as to the  
26 need for a children's cabinet.

27 New Code section 242.2 provides for appointment of members  
28 to the children's cabinet. The director of DHS or the  
29 director's designee is to be the chairperson of the cabinet and  
30 appoint up to three additional members to the cabinet, and DHS  
31 is required to staff the cabinet. Various state agencies are  
32 identified for membership along with community stakeholders.  
33 Four members of the general assembly are required to be  
34 appointed to serve in an ex officio, nonvoting capacity.

35 New Code section 242.3 delineates the duties of the

1 children's cabinet in making recommendations to the agencies  
2 represented on the cabinet and to the governor, general  
3 assembly, and judicial branch. The areas of recommendation  
4 include proposing operating provisions for health homes  
5 for children and the practices utilized by other aspects of  
6 the service systems for children. If the cabinet makes a  
7 recommendation to an agency or organization represented on the  
8 cabinet, the agency or organization must respond within 60  
9 business days detailing how the recommendation was addressed.  
10 The children's cabinet is required to report annually by  
11 December 15 to the governor, general assembly, and supreme  
12 court providing findings and recommendations and issue other  
13 reports as deemed necessary by the cabinet.

14 A temporary provision provides for appointment of  
15 approximately half of the initial voting members of the  
16 children's cabinet other than department heads to two-year  
17 terms in order to stagger the terms.

18 CENTER FOR CHILD HEALTH INNOVATION AND EXCELLENCE. This  
19 division requires the department of public health to create a  
20 center for child health excellence and innovation. The purpose  
21 of the center is to provide a policy forum for efforts to  
22 improve child health, including but not limited to improving  
23 health quality, demonstrating better health outcomes, and  
24 reducing long-term health care costs. The creation and  
25 operation of the center is subject to provision of funding by  
26 the general assembly.

27 The center is required to engage other departments of state  
28 government and child health providers and to perform various  
29 duties to further the purpose of the center.